

**IN THE JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION
AT RANCHI**

Case No. 18 of 2020

Tata Steel Utilities and Infrastructure Services Limited (TSUISL) ... Petitioner

Versus

Jharkhand BijliVitrان Nigam Limited (JBVNL)..... Respondent

**CORAM: HON'BLE MR. R.N. SINGH, MEMBER (ENGINEERING)
HON'BLE MR. P.K. SINGH, MEMBER (LEGAL)**

For the Petitioner : Mr. V.P.Singh-Representative
For the Respondent : Mr. Rishi Nandan- Representative

ORDER

Date -9th January, 2021

1. The Petitioner-Tata Steel Utilities and Infrastructure Services Limited (TSUISL) formerly known as Jamshedpur Utilities and Services Company Limited (JUSCO) has submitted a petition purported to be filed under section 86(1)(b) and section 94 of the Electricity Act, 2003 read with clause 6.38 of the JSERC (Terms and Conditions of Determination of Distribution Tariff) Regulations, 2015 for approval of Power Purchase Agreement for new power connection from JBVNL at Seraikela Town.

2. The Prayers of the petitioner-TSUISL are as under:-

- (a) Pass order for approval of Purchase of power from JBVNL at Seraikela Town for the petitioner – Tata Steel Utilities and Infrastructure Services Limited (TSUISL) formerly Jamshedpur utilities & Services Company Limited (JUSCO).
- (b) Pass order for Power Purchase Agreement between the petitioner – TSUISL and the power supply by JBVNL for the new power connection for Seraikela town.
- (c) Condone any inadvertent omissions /errors/shortcomings and permit TSUISL, formerly JUSCO to add /change/modify /alter this filing and make further submissions as may be required at a future date.

Submission of the Petitioner

3. The representative of the petitioner submitted that the petitioner's power network has been extended to Seraikela Town from the 132/33KV Grid

Sub-station at TGS, Gamharia through 33KV overhead line, route length is approximately 30KM and the petitioner has installed 33/11KV substation with Transformer capacity of 2x5 MVA at Seraikela Town and have started supplying power to few domestic and commercial consumers of the town.

4. The representative further submitted that 33KV overhead line which is laid along road/open field is prone to frequent breakdown due to various external reason and because of that power source of 33/11KV substation at Seraikela is not reliable and also sometimes the restoration time is very high because of major damage of pole/line by external factor like accidental hitting by truck or another vehicle. It is further submitted that they do not have any back up arrangement; consumers with emergency requirement face difficulty due to non availability of power.
5. The representative submitted that the petitioner has applied for new HT power connection for 200 KVA to JBVNL with all required documents.
6. The representative pointed out that the rate of power purchase shall be based on power distribution tariff of JBVNL as determined by the Commission and the petitioner has deposited the required connection charges of Rs. 12.23 lakh to JBVNL.
7. It was pointed out during the course of hearing that there is some ambiguity in the draft PPA filed for approval, as such, the Petitioner in its email dated 15.12.2020 has submitted revised agreed draft Power Purchase Agreement of TSUISL with JBVNL removing the ambiguities.

Commission's observation and findings

8. We considered the submission made by the parties and perused the materials available on records.
9. Under Section 86 (1) (b) of the Electricity Act, 2003, the State Commission has the responsibility to regulate the electricity purchase and procurement process of distribution licensees. Section 86 (1)(b) of the Electricity Act, 2003 reads as under:-
"Section 86 Function of State Commission: - (1) The state Commission shall discharge the following functions, namely:-
(a).....
(b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the state;

10. Hence, under section 86(1)(b) of the Electricity Act, 2003, the distribution licensee is obligated to get the PPA signed by it, approved by the Commission.
11. It is also observed that the aforesaid PPA for approval is required for back up arrangement in the interest of the consumers to make power reliable and this new source from JBVNL shall act as a backup for connection's to Seraikela town's consumers and this facility shall improve the reliability of the power supply to the consumers of this area.

In the result, it is ordered as;

ORDER

12. The prayers of the petitioner are allowed and this Commission approves the purchase of power from JBVNL at Seraikela Town, as prayed for at the Tariff to be determined by this Commission time to time.
13. The petition is disposed off, accordingly.

(P.K.Singh)
Member (Legal)

(R.N. Singh)
Member (Engg)